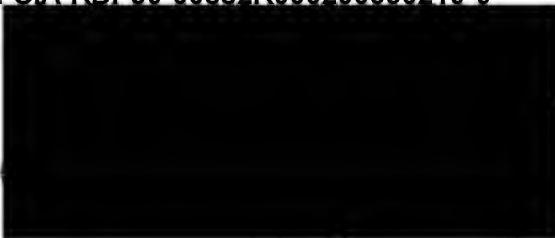


Approved For Release 2002/01/02 : CIA-RDP59-00882R000200330219-9



Jed. L. Smith

The Honorable Harry B. Mitchell
President, U. S. Civil Service Commission
Washington 25, D. C.

Dear Mr. Mitchell:

In accordance with provisions of Section 5, Civil Service Departmental Circular No. 540, dated 5 October 1945, there is enclosed herewith a draft of an administrative instruction proposed for issuance by this agency to initiate and govern a program of rewards to employees for superior accomplishment through granting within-grade pay increases in those cases where the accomplishment is of sufficient merit to warrant such action.

It is requested that the Commission review this proposed draft and inform this agency of its concurrence or suggestions for change prior to publication.

In accordance with previous understandings with the Civil Service Commission exempting this agency from making personnel reports to the Commission due to the extremely sensitive security requirements of the agency, it is also requested that the reporting requirement established by paragraph 5 of the standards and procedural instructions included in Civil Service Departmental Circular No. 540 be waived for this agency. In this connection attention is invited to the fact that the Director will personally take final action on all recommendations for pay increases under the provisions of the proposed program. This will provide adequate control within the agency to insure against any abuses.

There will be no objection to our making periodic reports on a basis which will not violate our security requirements, such as total number of increases during any given period, together with broad information relative to amounts involved in connection with such action. Details of such a report can be worked out separately between appropriate officials of CIA and the Civil Service Commission.

Sincerely,

Concur
/s/ L.R. Houston

SEAL
W. A. HILLBRETTER
Vice Admiral, USN
Director of Central Intelligence

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Draft of adm. inst.

Cys to: Gen. Counsel, Chief Pers Br; Chief, M&A Br; Chief, Sgt. Br.